

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 11-12, 2006

Reference No.: 2.8b.(2)

From: CINDY McKIM
Chief Financial Officer

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Division Chief
Transportation Programming

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR ONE LOCALLY ADMINISTERED, ON SYSTEM STIP PROJECT, PER FY 2005-06 STIP/SHOPP ALLOCATION PLAN CRITERIA WAIVER-06-38**

RECOMMENDATION:

The city of Oroville recommends the California Transportation Commission (Commission) approve Waiver-06-38, extending the period of contract award for four months, to February 2007, for the Route 70 and Montgomery Street Interchange Landscaping project (PPNO 0L1144, EA 03-1E5301) in Butte County.

ISSUE:

For Project PPNO 0L1144, the city of Oroville (City) will not be able to meet the contract award deadline of six months established under the FY 2005-06 STIP/SHOPP Allocation Plan and Criteria. In April 2006, \$358,000 was allocated for construction of the landscaping project. Bid opening was scheduled for August 23, 2006, however no bids were received. The City is currently preparing the contract to be re-advertised in December 2006 and awarded in January 2007. The City is requesting an award extension of four months. Commission approval of the extension request is needed in order to re-advertise and award the project.

BACKGROUND:

In accordance with the Commission's FY 2005-06 STIP/SHOPP Allocation Plan and Criteria, the deadline to award contracts for the projects allocated in April 2006 is October 31, 2006. Due to circumstances beyond the City's control, this project will not be awarded by October 31, 2006, and will need a time extension.

At its July 2005 meeting, the Commission adopted the FY 2005-06 STIP/SHOPP Allocation Plan and Criteria, which limited FY 2005-06 allocations to projects ready to proceed to construction within six months. The FY 2005-06 STIP/SHOPP Allocation Plan and Criteria also requires the receiving agencies to request a time extension if the project will not be awarded within the six months.

Resolution G-03-19, State Transportation Improvement Program (STIP) Guidelines, adopted by the Commission on December 11, 2003, stipulates that funds allocated for Department construction projects are available for contract award for a period of 12 months from the date of allocation. The Guidelines further stipulate that the Commission may approve a waiver to the contract award deadline one time only for up to 20 months in accordance with Section 14529.8 of the Government Code.